

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

- The Offer Price has been determined at HK\$4.08 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%).

Net Proceeds from the Global Offering

- Based on the Offer Price of HK\$4.08 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions, maximum incentive fee, other fees and expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$391.3 million, assuming the Over-allotment Option is not exercised. The Company intends to apply such net proceeds in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of HK\$7.1 million for 1,821,000 Shares to be allotted and issued upon the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, the Company intends to apply the additional net proceeds on a pro-rata basis to the purposes as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.

Applications and Indications of Interest Received in the Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been over-subscribed. A total of 9,630 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 344,379,000 Hong Kong Offer Shares, representing approximately 28.68 times of the total number of 12,006,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription of the Hong Kong Public Offering is 15 times or more but less than 50 times of the number of 12,006,000 Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedures as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus have been applied. The final number of Hong Kong Offer Shares available under the Hong Kong Public Offering is 36,018,000 Shares, representing approximately 30% of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 5,803 successful applicants under the Hong Kong Public Offering.

International Offering

- The Offer Shares initially offered under the International Offering have been slightly oversubscribed, representing approximately 1.29 times of the total number of 108,054,000 Offer Shares initially available under the International Offering. There is a reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering and the final number of Offer Shares under the International Offering is 84,042,000 Shares, representing approximately 70% of the total number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 1,821,000 Offer Shares in the International Offering and there are a total of 112 places under the International Offering.
- A total of 70 places have been allotted five board lots of Offer Shares or less, representing approximately 62.50% of 112 places under the International Offering. These places have been allotted 210,000 Shares in total, representing approximately 0.19% of the Offer Shares initially available under the International Offering (assuming the Over-allotment Option is not exercised). A total of 70 places have been allotted one board lot of Offer Shares, representing approximately 62.50% of 112 places under the International Offering. These places have been allotted 210,000 Shares in total, representing approximately 0.19% of the Offer Shares initially available under the International Offering (assuming the Over-allotment Option is not exercised).

Cornerstone Investors

- Based on the Offer Price of HK\$4.08 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), and pursuant to the Cornerstone Investment Agreements with the Cornerstone Investors as set out in the section headed “Cornerstone Investors” in the Prospectus, the Cornerstone Investors have subscribed for a total of 37,944,000 Offer Shares, representing in aggregate (a) approximately 4.37% of the Company’s issued share capital immediately following the completion of the Global Offering and (b) approximately 31.61% of the total number of Offer Shares under the Global Offering, in each case assuming the Over-allotment Option is not exercised. Please refer to the section headed “Cornerstone Investors” in the Prospectus and the paragraph headed “Cornerstone Investors” in this announcement for further details relating to the Cornerstone Investors.

Confirmations regarding public shareholders in the Hong Kong Public Offering and Places in the International Offering

- To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants and their respective ultimate beneficial owners who are core connected persons (as defined in the Listing Rules) of the Company, Directors or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines under Appendix 6 of the Listing Rules (the “**Placing Guidelines**”)) or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Placing is in compliance with the Placing Guidelines.
- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates or syndicate members to any public Shareholders in the Hong Kong Public Offering or places in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and places in the International Offering for each Share subscribed for or purchased by them is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there is no side agreement or arrangement between the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand.

Over-allotment Option

- In connection with the Global Offering, the Company has granted to the International Underwriters, exercisable in whole or in part by the Overall Coordinators and the Joint Global Coordinators at their absolute discretion (for themselves and on behalf of the International Underwriters), the Over-allotment Option, which will be exercisable from the Listing Date until up to (and including) the date which is the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 18,009,000 Shares, representing no more than 15.0% of the number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

- There has been an over-allocation of 1,821,000 Offer Shares in the International Offering and such over-allocation will be settled by using Shares to be borrowed under the Stock Borrowing Agreement between DING GUOHUA LIMITED and the Stabilizing Manager. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yuehuamusic.com, respectively. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Undertakings

- Each of the Company, the Controlling Shareholders, the other existing Shareholders as of the date of the Prospectus (other than ARK Trust (Hong Kong) Limited and LIGHTSTONE TRUST (HONG KONG) LIMITED, being the trustees holding Shares as reserve for the awards under the Share Incentive Plan) and the Cornerstone Investors are subject to certain Lock-up Undertakings as set out in the paragraph headed “Lock-up Undertakings” in this announcement.

Results of Allocations

- The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:
 - in the announcement to be posted on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yuehuamusic.com by no later than 9:00 a.m. on Wednesday, January 18, 2023;
 - from the designated results of allocations website at www.iporeresults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Wednesday, January 18, 2023 to 12:00 midnight on Tuesday, January 24, 2023; and
 - from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Wednesday, January 18, 2023, Thursday, January 19, 2023, Friday, January 20, 2023, and Thursday, January 26, 2023.
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **White Form eIPO**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **electronic application instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers in this announcement is not a complete list of successful applicants since only successful applicants whose identification document numbers are provided by CCASS are disclosed.

- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” and “Results of Applications Made by Giving **electronic application instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

Dispatch/Collection of Share Certificates and Refund Monies

- For each applicant applying for Hong Kong Offer Shares through the **White Form eIPO** service:
 - Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and whose applications have been wholly or partially successful, may collect their share certificate(s) and/or refund checks (where applicable) from Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Wednesday, January 18, 2023, or such other date as notified by the Company as the date of dispatch/collection of share certificates/e-Refund payment instructions/refund checks.
 - Applicants who do not collect their share certificate(s) and/or refund cheque(s) (where applicable) personally within the time specified for collection, their share certificate(s) and/or refund cheque(s) (where applicable) will be sent to the address specified in the relevant application instructions by ordinary post at their own risk.
 - Applicants who applied for less than 1,000,000 Hong Kong Offer Shares, their share certificate(s) and/or refund cheque(s) (where applicable) will be sent to the address specified in the relevant application instructions on or before Wednesday, January 18, 2023 by ordinary post at their own risk.
 - Applicants who applied and paid the application monies from a single bank account, any refund monies will be dispatched to that bank account in the form of e-Refund payment instructions on Wednesday, January 18, 2023. Applicants who applied and paid the application monies from multiple bank accounts, any refund monies will be dispatched to the address as specified in the relevant application instructions in the form of refund cheque(s) by ordinary post at their own risk on or before Wednesday, January 18, 2023.
- For each applicant applying for Hong Kong Offer Shares via **electronic application instructions** to HKSCC:
 - For the purposes of allocating Hong Kong Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.

- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their share certificate(s) issued in the name of HKSCC Nominees Limited and deposited into CCASS for the credit of their designated CCASS Participant's stock account or their CCASS Investor Participant stock account on Wednesday, January 18, 2023, or, on any other date determined by HKSCC or HKSCC Nominees.
- Applicants should check the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, information relating to the relevant beneficial owner is included), the successful applicants' Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Hong Kong Public Offering in the manner specified in the paragraph headed "Results of Allocations" in this announcement published by the Company on Wednesday, January 18, 2023 and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, January 18, 2023 or such other date as determined by HKSCC or HKSCC Nominees.
- Applicants who have instructed a broker or custodian to give **electronic application instructions** on their behalfs of, the applicant could also check the number of Hong Kong Offer Shares allotted to them and the amount of refund monies (if any) payable to them with that broker or custodian.
- Applicants who applied as a CCASS Investor Participant can check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time).
- Refund of the application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy but without interest) will be credited to the applicants' designated bank account or the designated bank account of the applicants' broker or custodian on Wednesday, January 18, 2023.

The Company will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.

Public Float

- The Directors confirm that
 - (i) immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised), around 25.01% of the total number of issued Shares will be held by the public, in compliance with the requirement under Rule 8.08(1) of the Listing Rules;
 - (ii) the Shares will be held by at least 300 Shareholders at the time of Listing, in compliance with Rule 8.08(2) of the Listing Rules; and
 - (iii) the three largest public Shareholders will not hold more than 50% of the Shares held in public hands at the time of Listing, in compliance with Rule 8.08(3) of the Listing Rules.

Commencement of Dealings

- Assuming the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on January 19, 2023 (Hong Kong time), it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Thursday, January 19, 2023 (Hong Kong time). The Shares will be traded in board lots of 3,000 Shares each. The stock code of the Shares is 2306.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded and should exercise extreme caution when dealing in the Shares.

OFFER PRICE

The Offer Price has been determined at HK\$4.08 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$4.08 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions, maximum incentive fee, other fees and expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$391.3 million (assuming the Over-allotment Option is not exercised).

The Company intends to apply the net proceeds from the Global Offering as follows:

- (i) Approximately 60.0%, or HK\$234.7 million will be invested in the Company's artist operation;
- (ii) Approximately 15.0%, or HK\$58.7 million, will be used for expanding the Company's music IP library;
- (iii) Approximately 15.0%, or HK\$58.7 million, will be used for expanding the Company's pan-entertainment business;
- (iv) Approximately 5.0%, or HK\$19.6 million, will be used for the Company's overseas expansion; and
- (v) Approximately 5.0%, or HK\$19.6 million, will be used for working capital and general corporate purposes to support the Company's business operation and growth.

If the Over-allotment Option is fully exercised, the Company will receive additional net proceeds of approximately HK\$7.1 million for 1,821,000 additional Offer Shares to be allotted and issued upon the full exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, the Company intends to apply the additional net proceeds to the above purposes on pro-rata basis.

For further information, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been over-subscribed. A total of 9,630 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 344,379,000 Hong Kong Offer Shares, representing approximately 28.68 times of the total number of 12,006,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 9,549 valid applications in respect of a total of 216,417,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$5.06 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of HK\$5 million or less, representing approximately 36.05 times of the 6,003,000 Hong Kong Offer Shares initially comprised in pool A; and
- 81 valid applications in respect of a total of 127,962,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$5.06 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of more than HK\$5 million, representing approximately 21.32 times of the 6,003,000 Hong Kong Offer Shares initially comprised in pool B.

Under the Hong Kong Public Offering, (i) no application has been rejected due to dishonored payments; (ii) no invalid application has been identified for not having been completed in accordance with the instructions; (iii) 4 multiple application or suspected multiple application has been identified and rejected; and (iv) no application for more than 6,003,000 (being 50% of the 12,006,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering is 15 times or more but less than 50 times of the number of Offer Shares initially available under the Hong Kong Public Offering, the reallocation procedure as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus have been applied. The final number of Offer Shares under the Hong Kong Public Offering is 36,018,000 Offer Shares, representing approximately 30% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option) and being allocated to 5,803 successful applicants under the Hong Kong Public Offering.

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offering” in this announcement.

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.29 times of the total number of 108,054,000 International Offer Shares initially available under the International Offering. There is a reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering, and the final number of Offer Shares under the International Offering is 84,042,000 Shares, representing approximately 70% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 1,821,000 Offer Shares in the International Offering and there are a total of 112 places under the International Offering.

A total of 70 places have been allotted five board lots of Offer Shares or less, representing approximately 62.50% of 112 places under the International Offering. These places have been allotted 210,000 Shares in total, representing approximately 0.19% of the Offer Shares initially available under the International Offering (assuming the Over-allotment Option is not exercised). A total of 70 places have been allotted one board lot of Offer Shares, representing approximately 62.50% of 112 places under the International Offering. These places have been allotted 210,000 Shares in total, representing approximately 0.19% of the Offer Shares initially available under the International Offering (assuming the Over-allotment Option is not exercised).

CORNERSTONE INVESTORS

Based on the Offer Price of HK\$4.08 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Cornerstone Investor	Subscription amount (US\$ in million)	Number of Offer Shares subscribed	Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
			Approximate % of the total issued share capital of the Offer Shares	Approximate % of the total issued share capital of the Company	Approximate % of the Offer Shares	Approximate % of the Offer Shares
Sun Mass Energy	7.9	15,063,000	12.55	1.73	12.36	1.73
Maoyan HK	5.0	9,534,000	7.94	1.10	7.82	1.09
Mr. Ding Shijia	5.0	9,534,000	7.94	1.10	7.82	1.09
TradArt	2.0	3,813,000	3.18	0.44	3.13	0.44
Total	19.9	37,944,000	31.61	4.37	31.13	4.35

The Cornerstone Placing forms part of the International Offering, and the Cornerstone Investors will not acquire any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid Shares in issue following the completion of the Global Offering and for the purpose of Rule 8.08 of the Listing Rules, will be counted towards the public float of the Company.

Immediately following the completion of the Global Offering, the Cornerstone Investors will not become a Substantial Shareholder (as defined in the Listing Rules) of the Company and will not have any Board representation in the Company. To the best knowledge of the Company, (i) each of the Cornerstone Investors is an Independent Third Party and is not the Company’s connected person; (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company or its subsidiaries, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders or any of their respective close associates; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by the Company or its subsidiaries, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders or any of their respective close associates; (iv) the Cornerstone Investors are independent from each other; and (v) each Cornerstone Investor will utilize their proprietary funding or the proprietary funding of the guarantor (where applicable) as their source of funding for the subscription of the Offer Shares.

There are no side arrangements or side agreements between the Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Placing. There will be no delayed delivery or deferred settlement of Offer Shares to be subscribed by the Cornerstone Investors pursuant to the Cornerstone Investment Agreements and payment for the Offer Shares to be subscribed by the Cornerstone Investors will be settled before the Listing.

Each of the Cornerstone Investor has agreed that it/he will not, whether directly or indirectly, at any time during the period of twelve months from the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to their respective Cornerstone Investment Agreement, save for the limited circumstance where the Shares are transferred to any of its wholly-owned subsidiaries or any entities it/he controlled who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Investors.

CONFIRMATIONS REGARDING PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING

- To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants and their respective ultimate beneficial owners who are core connected persons (as defined in the Listing Rules) of the Company, Directors or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines) or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Placing is in compliance with the Placing Guidelines.
- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates or syndicate members to any public Shareholders in the Hong Kong Public Offering or places in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and places in the International Offering for each Share subscribed for or purchased by them

is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there is no side agreement or arrangement between the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company has granted to the International Underwriters, exercisable in whole or in part by the Overall Coordinators and the Joint Global Coordinators at their absolute discretion (for themselves and on behalf of the International Underwriters), the Over-allotment Option, which will be exercisable from the Listing Date until up to (and including) the date which is the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 18,009,000 Shares, representing no more than 15.0% of the number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

There has been an over-allocation of 1,821,000 Offer Shares in the International Offering and such over-allocation will be settled by using Shares to be borrowed under the Stock Borrowing Agreement between DING GUOHUA LIMITED and the Stabilizing Manager. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yuehuamusic.com, respectively.

As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP UNDERTAKINGS

Pursuant to the respective agreements, applicable rules and/or the undertakings given by the following Shareholders, each of the following Shareholders is subject to certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of Shares directly held by them which will expire on respective dates as set forth below:

Name	Number of Shares subject to Lock-up Undertakings after Listing	Approximate percentage of total number of issued Shares immediately following completion of the Capitalization Issue and the Global Offering (before any exercise of the Over-allotment Option)	Last day of the lock-up period
<i>Company</i>	N/A	N/A	July 18, 2023 (the First Six-Month Period) ¹
<i>Controlling Shareholder</i>			January 18, 2024 (the Second Six-Month Period) ²
DING GUOHUA LIMITED	376,350,000	43.26%	January 18, 2025 ^{3 4}
QINGDINGDANG LIMITED	24,825,000	2.85%	January 18, 2025 ^{3 4}

Name	Number of Shares subject to Lock-up Undertakings after Listing	Offering (before any exercise of the Over-allotment Option)	Approximate percentage of total number of issued Shares immediately following completion of the Capitalization Issue and the Global	Last day of the lock-up period
<i>Other existing Shareholders⁵</i>				
POWER JOY PLUS LIMITED	17,625,000	2.03%		January 18, 2024 ^{4 5}
CMC Sports Investment Limited	106,875,000	12.28%		January 18, 2024 ^{4 5}
Interform Construction Supplies Limited	106,875,000	12.28%		January 18, 2024 ^{4 5}
Afflatus Limited	35,550,000	4.08%		January 18, 2024 ^{4 5}
Bloom Joy Capital Profit Limited	35,775,000	4.11%		January 18, 2024 ^{4 5}
DIAMOND HAMMOCK LIMITED	7,125,000	0.82%		January 18, 2024 ^{4 5}
Changyang Limited	1,275,000	0.15%		January 18, 2024 ^{4 5}
UPXF GROUP LIMITED	225,000	0.03%		January 18, 2024 ^{4 5}
<i>Cornerstone Investors⁶</i>				
Sun Mass Energy	15,063,000	1.73%		January 18, 2024 ^{4 6}
Maoyan HK	9,534,000	1.10%		January 18, 2024 ^{4 6}
Mr. Ding Shijia	9,534,000	1.10%		January 18, 2024 ^{4 6}
TradArt	3,813,000	0.44%		January 18, 2024 ^{4 6}

Note:

1. The Company may not allot or issue Shares prior to the indicated date except otherwise permitted by the Listing Rules and the Stock Exchange.
2. The Company shall not enter into any of the respective transactions or offer to or agree to or announce any intention to enter into any such transaction, such that any Controlling Shareholder would, directly or indirectly, cease to be a controlling shareholder of the Company during the Second Six-Month Period.
3. For further details, please refer to “History, Reorganization and Group Structure — Lock-up Arrangements”, “Underwriting — Underwriting Arrangements and Expenses — Undertakings to the Stock Exchange Pursuant to the Listing Rules — (B) Undertakings by our Controlling Shareholders”, “Underwriting — Underwriting Arrangements and Expenses — Undertakings by our existing Shareholders” and “Underwriting — Underwriting Arrangements and Expenses — Undertakings pursuant to the Hong Kong Underwriting Agreement — (B) Undertakings by our Controlling Shareholders” in the Prospectus.
4. After the date indicated, the respective lock-up undertaking shall no longer apply and the relevant Shareholders shall be entitled to deal in the Shares without being subject to the same.
5. As of the date of the Prospectus, excluding the Controlling Shareholders and ARK Trust (Hong Kong) Limited and LIGHTSTONE TRUST (HONG KONG) LIMITED (being trustees holding Shares as reserve for the awards under the Share Incentive Plan). For further details, please refer to “History, Reorganization and Group Structure — Lock-up Arrangements” and “Underwriting — Underwriting Arrangements and Expenses — Undertakings by our existing Shareholders” in the Prospectus.
6. For further details, please refer to “Cornerstone Investors — Restrictions on the Cornerstone Investors” in the Prospectus.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to satisfaction of the conditions set out in “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, 9,630 valid applications made by the public through the **White Form eIPO** service or the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

POOL A

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
3,000	4,576	2,288 out of 4,576 to receive 3,000 Shares	50.00%
6,000	482	270 out of 482 to receive 3,000 Shares	28.01%
9,000	1,930	1,103 out of 1,930 to receive 3,000 Shares	19.05%
12,000	156	100 out of 156 to receive 3,000 Shares	16.03%
15,000	285	185 out of 285 to receive 3,000 Shares	12.98%
18,000	232	155 out of 232 to receive 3,000 Shares	11.14%
21,000	132	92 out of 132 to receive 3,000 Shares	9.96%
24,000	79	58 out of 79 to receive 3,000 Shares	9.18%
27,000	73	56 out of 73 to receive 3,000 Shares	8.52%
30,000	617	497 out of 617 to receive 3,000 Shares	8.06%
45,000	198	166 out of 198 to receive 3,000 Shares	5.59%
60,000	187	163 out of 187 to receive 3,000 Shares	4.36%
75,000	73	66 out of 73 to receive 3,000 Shares	3.62%
90,000	89	84 out of 89 to receive 3,000 Shares	3.15%
105,000	44	43 out of 44 to receive 3,000 Shares	2.79%
120,000	54	3,000 Shares	2.50%
135,000	18	3,000 Shares plus 1 out of 18 to receive additional 3,000 Shares	2.35%
150,000	54	3,000 Shares plus 5 out of 54 to receive additional 3,000 Shares	2.19%
180,000	58	3,000 Shares plus 15 out of 58 to receive additional 3,000 Shares	2.10%
210,000	42	3,000 Shares plus 19 out of 42 to receive additional 3,000 Shares	2.07%
240,000	19	3,000 Shares plus 12 out of 19 to receive additional 3,000 Shares	2.04%
270,000	16	3,000 Shares plus 13 out of 16 to receive additional 3,000 Shares	2.01%
300,000	32	6,000 Shares	2.00%
330,000	10	6,000 Shares plus 1 out of 10 to receive additional 3,000 Shares	1.91%

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
360,000	5	6,000 Shares plus 1 out of 5 to receive additional 3,000 Shares	1.83%
390,000	9	6,000 Shares plus 3 out of 9 to receive additional 3,000 Shares	1.79%
420,000	15	6,000 Shares plus 6 out of 15 to receive additional 3,000 Shares	1.71%
450,000	22	6,000 Shares plus 12 out of 22 to receive additional 3,000 Shares	1.70%
540,000	13	9,000 Shares	1.67%
630,000	11	9,000 Shares plus 1 out of 11 to receive additional 3,000 Shares	1.47%
720,000	4	9,000 Shares plus 2 out of 4 to receive additional 3,000 Shares	1.46%
810,000	3	9,000 Shares plus 2 out of 3 to receive additional 3,000 Shares	1.36%
900,000	11	12,000 Shares	1.33%
Total	<u>9,549</u>		Total number of Pool A successful applicants: 5,722

POOL B

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
1,050,000	51	198,000 Shares	18.86%
1,200,000	14	216,000 Shares	18.00%
1,500,000	3	219,000 Shares	14.60%
1,800,000	1	222,000 Shares	12.33%
2,100,000	1	228,000 Shares	10.86%
2,700,000	1	276,000 Shares	10.22%
3,000,000	3	288,000 Shares	9.60%
4,500,000	3	360,000 Shares	8.00%
6,003,000	4	390,000 Shares	6.50%
Total	<u>81</u>		Total number of Pool B successful applicants: 81

The final number of Hong Kong Offer Shares available under the Hong Kong Public Offering is 36,018,000 Shares, representing 30% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yuehuamusic.com by no later than 9:00 a.m. on Wednesday, January 18, 2023;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Wednesday, January 18, 2023 to 12:00 midnight on Tuesday, January 24, 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Wednesday, January 18, 2023, Thursday, January 19, 2023, Friday, January 20, 2023, and Thursday, January 26, 2023.

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **White Form eIPO**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **electronic application instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers in this announcement is not a complete list of successful applicants since only successful applicants whose identification document numbers are provided by CCASS are disclosed.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” and “Results of Applications Made by Giving **electronic application instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is a summary of the allotment results under the Global Offering:

- subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the placees out of the International Offer Shares, total Offer Shares and the total issued share capital of the Company upon Listing are as follows:

Placees	Number of Shares subscribed for	Aggregate Number of Shares held upon Listing	Subscription as % of International Offer Shares			Subscription as % of total Offer Shares			% of total issued share capital upon Listing (assuming the Over-allotment Option is exercised in full)
			(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	
Top 1	15,063,000	15,063,000	17.92%	17.54%	12.55%	12.36%	1.73%	1.73%	
Top 5	47,433,000	47,433,000	56.44%	55.24%	39.51%	38.92%	5.45%	5.44%	
Top 10	59,715,000	59,715,000	71.05%	69.55%	49.74%	48.99%	6.86%	6.85%	
Top 20	75,558,000	75,558,000	89.91%	88.00%	62.93%	61.99%	8.68%	8.67%	
Top 25	79,356,000	79,356,000	94.42%	92.42%	66.10%	65.11%	9.12%	9.10%	

- subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the Shareholders out of the Hong Kong Offer Shares, International Offer Shares, total Offer Shares and the total issued share capital of the Company upon Listing are as follows:

Shareholders	Subscription of Hong Kong Offer Shares	Subscription of International Offer Shares	Subscription of total Offer Shares	Aggregate Number of Shares held upon Listing	Subscription as % of Hong Kong Public Offering			Subscription as % of total Offer Shares			% of total issued share capital upon Listing (assuming the Over-allotment Option is exercised in full)
					(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	(assuming the Over-allotment Option is not exercised)	(assuming the Over-allotment Option is exercised in full)	
Top 1	0	0	0	376,350,000	0.00%	0.00%	0.00%	0.00%	0.00%	43.26%	43.16%
Top 5	0	0	0	661,425,000	0.00%	0.00%	0.00%	0.00%	0.00%	76.02%	75.86%
Top 10	0	15,063,000	15,063,000	756,438,000	0.00%	17.92%	17.54%	12.55%	12.36%	86.94%	86.76%
Top 20	0	59,715,000	59,715,000	808,215,000	0.00%	71.05%	69.55%	49.74%	48.99%	92.89%	92.70%
Top 25	0	68,649,000	68,649,000	817,149,000	0.00%	81.68%	79.95%	57.18%	56.32%	93.92%	93.72%

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded and should exercise extreme caution when dealing in the Shares.